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April 22, 1993

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VIA FEDERAL EXPRESS

Ms. Donna R. Searcy, Secretary Office of the Secretary Federal Communications Commission 1919 M Street, N.W. Washington, DC 20554

Reply Comments of Zenith Electronics Corporation Implementation of Section 17 of the Cable Television Consumer Protection and Competition Act of 1992; Compatibility Between Cable Systems and Consumer Electronics Equipment (ET Docket

Dear Ms. Searcy:

Pursuant to the Notice of Inquiry issued January 14, 1993, 58 Fed. Reg. 7205, enclosed please find an original and nine copies of the Reply Comments of Zenith Electronics Corporation on the above-captioned matter.

We acknowledge that this is being submitted after the noticed deadline due to absences which prevented completing necessary management reviews. We respectfully request that, in view of the nature and current status of this complex matter before the Commission, our Reply Comments be accepted and included in the record.

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FEDERAL COMMUNICATIONS COMMISSION

Washington, DC 20554

In the Matter of) FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY
Implementation of Section 17 of the Cable Television Consumer Protection and Competition Act of 1992	ET Docket No. 93-7
Compatibility Between Cable Systems and Consumer Electronics Equipment)))

REPLY COMMENTS OF ZENITH ELECTRONICS CORPORATION

Zenith Electronics Corporation is pleased to offer the following

which would allow cable signal providers to secure their signals by whatever method they choose without interfering with the many viewer-convenience features being built into TVs and VCRs. Unlike other approaches, we believe this solution will also facilitate the growth potential of future digital technologies.

In essence, our proposal is for the Commission to: (1) define a new and improved standard for the term "cable ready"; (2) break the chicken-and-egg cycle which defeated Multiport by requiring TV manufacturers to supply certain TVs manufactured to this standard (but no more than necessary to meet genuine demand and seed the technology) while requiring cable companies to provide the necessary "set-back-box"

of the computer upgrade card is an appealing one, a television set involves radically different performance, technology and safety issues from those of a computer. The cable industry is arguing for replaceable tuners in order to avoid limits to technological advancement that they see in capping the number of channels. Our proposal suggested 1 GHz as a practical limit because, with new compression technologies, coupled with advanced digital modulation techniques such as Zenith's 16 VSB system, the cable operator could provide as many as 2,000 programs on a single system.

2. Suggestions by some commenters from the cable industry that TVs and VCRs must be either all or nothing on the "cable-readiness" dimension — that is, that TVs either meet the new standard or tune VHF/UHF only — are unnecessarily regressive. Because there will continue to be installed cable plants that deliver unscrambled signals without severe direct pick-up problems, TVs and VCRs with the ability to tune the wider range of cable channels will continue to serve a large market of consumers. Such a mandate would have the effect of forcing either converters or the enhanced "cable ready" TVs on millions of consumers before they need them and before there is any compelling business reason This should clearly be left to marketplace dictates, and concern for miscommunication by dealers is an insufficient basis for a step of such magnitude. Adequate protections for appropriate communication of TV and VCR capabilities can be readily built into any regulation. Indeed, the very existence of

a new, improved "cable ready" product will focus attention on the difference in capabilities between the two kinds of products. TCI's suggestion that a Multiport solution would cost only \$5 is

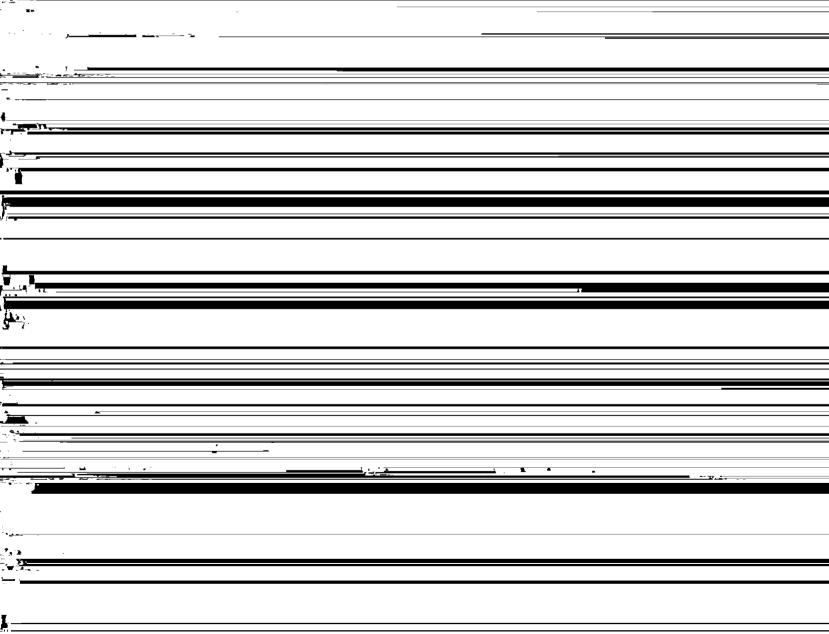
television equipment is negligible — less than 2,000 decoders and less than one million TV receivers (out of 180 million estimated to be in service).

- 5. While most of the discussion has been focussed on delivery of video signals, it should be recognized that Zenith's IF interface proposal accommodates digital data transmission as well another future technology which must be taken into account.
- delivery technologies on the horizon (such as DBS and the telcos) will also involve consumer-pay signal reception, and will raise equipment compatibility issues as well. Thus, solutions to the cable compatibility problems which have the effect of squelching such new video technologies won't stand up to the test of time.

 We concur with Ameritech's comments that the Commission should not take steps that would foreclose the implementation of video dial tone; in fact, appropriate compatibility requirements potentially applicable to all video delivery systems should be considered.
- 7. We believe that emerging consumer program-control technologies, such as the interactive on-screen programming guide developed by Insight Telecast, Inc. (with which Zenith has been working for some time) must also be delivered without interference from local cable operations. These are, after all, exactly the kind of technologies which cable companies and other future signal

providers will need to guide the consumer through the enormous programming diversity coming through digital compression.

Zenith's IF interface proposal is a compromise — a minimal mandate on both industries consistent with the diversity of consumer needs under this multifaceted system of signal delivery and with the future course of transmission and delivery technology. We are pleased that there has been support in concept with our proposal from the cable industry, and some acknowledgement of potential validity within the consumer electronics industry as well. We hope that our proposal will continue



CERTIFICATE OF SERVICE

I, Stephen K. Weber, hereby certify that true copies of the foregoing "Reply Comments of Zenith Electronics Corporation" were served this 22st day of April, 1993, by First Class U.S. Mail, postage prepaid, upon the parties listed below.

Stephen K.

Attorney

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